



INSPECTOR GENERAL REPORT

2005-02-0069

July 18, 2005

INDIANA CRIMINAL JUSTICE INSTITUTE VICTIM PAYMENTS

Inspector General David O. Thomas reports to Governor Mitchell E. Daniels, Jr., as follows:

Deputy Directors Donna Roberts and Nicole Kincaid of the Indiana Criminal Justice Institute (ICJI) requested an investigation on February 17, 2005. They stated that they had discovered that double payments had gone to certain hospitals for victims' medical bills and requested assistance to immediately remedy this situation.

ICJI serves as the state's planning agency for criminal justice, juvenile justice, traffic safety and victim services. ICJI develops long-range strategies for the effective administration of Indiana's criminal and juvenile justice systems and administers federal and state funds to carry out these strategies.¹

One of the services provided by ICJI is providing funding for the payment of medical bills for victims who are injured in the course of a crime. ICJI has developed a procedure where a victim, often with the assistance of a county Prosecuting Attorney's office, applies for this payment. It is this payment to

¹ See: <http://www.in.gov/cji>.

health care providers which ICJI requested to be investigated.

Victims who qualify for this funding include: (1) an innocent victim of any violent crime including a crash caused by a drunk driver, (2) a person who is injured or killed trying to prevent a violent crime or giving aid to a law enforcement officer, or (3) the immediate family members of a murder victim or sex crime victim who need mental health counseling.²

Initial research was done on the issue, and then in pursuit of the authority of the Inspector General Office's authority to "initiate, supervise, and coordinate investigations,"³ contact was made with the State Board of Accounts. Auditor Jennifer Marshal then commenced a further investigation.

It was then determined that ICJI funds had been spent towards hospital bills for victims when the hospitals had already received payment from Medicaid. To remedy the situation, the Family and Social Services Administration (FSSA) has agreed to make available its database as a resource to ICJI to show when Medicaid has already paid these same victims' bills. A memorandum of understanding (MOU) is being developed between the two agencies to allow ICJI to review these results in order to avoid double payments in the future.

ICJI has further been placed in contact with a contractor who specializes in paying Medicaid claims, with the goal of assisting ICJI to identify past double billing situations. These resulting savings will be determined and computed later this year.

Recommendation 1: It is respectfully submitted that the Indiana General

² See: <http://www.in.gov/cji/victim/faq.html>.

³ I.C. 4-2-7-3.

Assembly consider legislation which incorporates ICJI's qualification within the Medicaid Rate Schedule. Specifically, I.C. 5-2-6.1-39 and I.C. 16-21-8-6 could be amended to make clear that any reimbursement made by ICJI will be at Medicaid rates.

Recommendation 2: ICJI might also benefit by pursuing an alternative remedy of promulgating an administrative rule to reach this same conclusion. Legislation, specifically I.C. 5-2-6.1-46, currently requires ICJI to adopt rules for payment of reimbursements under I.C. 16-21-8-6. ICJI may accordingly adopt a rule stating that ICJI will pay for covered medical services at Medicaid rates.

Recommendation 3: Should the health care providers who have received double payment refuse to make the appropriate reimbursements to ICJI, the Office of Inspector General has agreed to initiate forfeiture proceedings on behalf of ICJI.

Dated this 18th day of July, 2005.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David Thomas".

David O. Thomas, Inspector General